

ARIZONA PIRG EDUCATION FUND/SWEEP/WILDFIRE PROPOSED AMENDMENT NO. 2

TIME/DATE PREPARED:

COMPANY:

AGENDA ITEM NO.:

DOCKET NO.: RU-00000A-18-0284

OPEN MEETING DATE:

Purpose: This amendment would align the energy efficiency proposals of Chairman Burns, Commissioner Kennedy, Commissioner Márquez Peterson, and Commissioner Dunn by enacting the 35% capacity savings standard proposed by Commissioner Márquez Peterson while ensuring that affected utilities continue to invest in cost-effective energy efficiency at the minimum levels proposed by Chairman Burns, Commissioner Dunn, and Commissioner Kennedy. It would also align the DSM planning and approval process with the integrated resource planning process, and ensure that Commission-approved programs and funding for those programs will continue until cost recovery is addressed in an affected utility's next rate case. In this manner, this amendment ensures that programs to help customers save money and energy will not be suspended due to regulatory delay.

Changes to Staff's Recommended Order**AMEND Appendix A to the Proposed Order as follows:****Page 46****Under R14-2-2701. Definitions****DELETE** the definition of "Cost Effective"**INSERT** a new definition of "Cost Effective"

"Cost Effective" means "prudently invested," as defined by R14-2-103(A)(3)(i) and determined in a rate case under A.A.C. R14-2-103.

Page 53**Under R14-2-2705. Clean Energy Plan Implementation****INSERT** new subsection (B)(3):

"By January 1, 2030, a Load-Serving Entity's resource portfolio shall include a Demand Side Resource capacity equal to 35% of the Load-Serving Entity's 2020 peak demand."

"For each three-year planning period, utilities shall propose DSM programs that include traditional energy efficiency, demand response, and other programs that focus on reducing overall energy usage, peak demand management, and load shifting."

"Utility performance will be based on both MWh energy savings and MW capacity reductions."

"Utilities must average 1.3% annual energy efficiency measured by MWh savings over the three-year planning period, without carrying over energy savings credits from programs implemented before January 1st, 2021."

“The portfolio of DSM measures must include rate-enabled, load-shifting technologies, including demand response, that provide customer bill savings and clean energy benefits. Utilities will propose programs and expected peak load reductions in their filings for review and approval by the Commission.”

Page 76, Under R14-2-2718. Cost Recovery & Prudency

INSERT “process” after “rate case” in subsection (A)

REPLACE subsection (C) with the following:

C. A Utility's Commission-approved cost recovery mechanisms and programs associated with the Commission's prior renewable energy and energy efficiency rules shall remain in effect until the Commission issues a decision in a future rate process in which the Utility receives cost recovery and program approval, if applicable, for requirements associated with this article.

**** Make all conforming changes**

	THIS AMENDMENT:	
Passed	Passed as amended by	
Failed	Not Offered	Withdrawn